

**Arizona State Retirement System Bill Tracker**  
ASRS Related Legislation – 49<sup>th</sup> Legislature – First Regular Session  
(For week ending Friday, April 17, 2009)

BILL	BILL STATUS	ADMINISTRATIVE COST	ACTUARIAL IMPACT
<b>HB 2111 – ASRS; amendments</b> Sponsor: Boone <b>As Amended in House COW:</b> <ul style="list-style-type: none"> <li>Modifies the Average Monthly Compensation used in a retiring member's retirement benefit calculation from the average of the highest 36 months in the last 120 months to the average of the highest 60 months in the last 120 months for a member whose membership commences on or after July 1, 2010.</li> <li>Modifies one of the Normal Retirement Date definitions from 80 to 85 points (age + years of service) for a member whose membership commences on or after July 1, 2010.</li> <li>Eliminates employer contribution refunds for a member whose membership commences on or after July 1, 2010 except for a member who was terminated due to an Employer Reduction in Force or position elimination in which case the member will receive the current refund vesting schedule.</li> <li>Removes the 80% cap on retirement benefits.</li> <li>Permits contributions from a second ER only if the 20/20 Rule is met for that ER.</li> <li>Excludes compensation from a second employer for which contributions are not remitted from the pension calculation.</li> <li>Permits a member who returns to work with a suspension of benefits to choose a different annuity option from their first retirement if the member resumed work for at least 60 consecutive months.</li> <li>Contains the provisions of all other 2009 ASRS Legislative Initiatives except RTW.</li> <li>Appropriates \$1,341,000 from the ASRS to the ASRS administration account. The appropriation is non-lapsing.</li> </ul>	<b>Status:</b> 1/20 First Read 2/3 PERER DPA 8-0 3/23 Rules C&P 8-0 3/24 Maj & Min Caucus Y 3/31 COW DPA Next Stop: Third Read	<b>As Amended in House COW:</b> The ASRS projects that it will cost \$1,341,000 to implement these changes, which represents the costs of computer programming, staff and employer training, forms development and distribution, website updates, and member communications.	<b>As Amended in House COW:</b> First actuarial effect for contribution rate beginning July 1, 2011.  <b>By 2039 total contribution rate (ER + EE) savings of:</b> Average Monthly Salary: 0.34% Rule of 85: 0.28% Refunds: 0.27% (maximum savings of 0.40% reached in 2024-2025, gradually decreasing to .27% in FY2039.) 80% Cap: 0.07%  <b>Present Value of Savings:</b> Average Monthly Salary: \$405 M Rule of 85: \$251 M Refunds: \$407 M 80% Cap: \$69 M <b>Total: \$1,011 M</b>  Projection based on no growth—savings will be higher if there is an increase in the active workforce.
<b>HB 2117 – ASRS; public service credit; purchase</b> Sponsor: Boone <b>As Introduced:</b> Expands the ASRS Service Purchase (SP) Program to time worked for the government of a United States commonwealth, insular area, or overseas possession.	<b>Status:</b> 1/20 First Read 1/20 PERER DP 6-0-0-2 3/23 Rules C&P 8-0 3/23 Consent 3:00p 3/24 Maj & Min Caucus Y Next Stop: Third Read	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> None expected.

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<b>HB 2118 – ASRS; LTD amendments</b> Sponsor: Boone <b>As Introduced:</b> <ul style="list-style-type: none"> <li>• Cross-references the LTD Program definitions with the ASRS Defined Benefit (DB) Plan.</li> <li>• Clarifies the LTD contribution rate calculation statute to provide consistency between the DB Plan and LTD Program rates.</li> <li>• Clarifies LTD Program offset statute to include amounts paid to the member <i>and</i> the member's dependents.</li> <li>• Clarifies the use of the word “benefit” throughout the LTD statute.</li> </ul>	<b>Status:</b> 1/20 First Read 1/20 PERER DP 6-0-0-2 2/9 Rules C&P 2/9 Consent 2:30p 2/10 Maj & Min Caucus Y Next Stop: Third Read	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> None expected.
<b>HB 2119 – ASRS; service credit transfers</b> Sponsor: Boone <b>As Introduced:</b> Clarifies charter city transfers statute by stating that a member extinguishes all rights in the retirement system from which the member is transferring.	<b>Status:</b> 1/20 First Read 1/20 PERER DP 6-0-0-2 2/9 Rules C&P 2/9 Consent 2:30p 2/10 Maj & Min Caucus Y Next Stop: Third Read	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> None expected.
<b>HB 2007 – CORP; return to work</b> Sponsors: Konopnicki <b>As Amended in COW:</b> Permits a retired member of CORP to be employed by a member-employer and still receive a pension if the re-employment occurs at least 12 months after retirement and the employment involves "substantial" inmate contact. The retiree does not accrue additional credited service and does not contribute to the fund.	<b>Status:</b> 1/13 First Read 1/20 PERER DP 6-0-0-2 2/11 APPROP DP 12-0-0-1 3/16 Rules C&PA 7-0-0-1 4/7 COW DPA Next Stop: Third Read	<b>As Amended in COW:</b> None expected.	<b>As Amended in COW:</b> None expected.
<b>HB 2015 – county retiree health insurance</b> Sponsor: Konopnicki <b>As Amended in PERER:</b> Removes restriction that prevents counties with a population of less than 300,000 from using public funds to pay all or a part of health insurance premiums for retired employees who are members of one of the four state retirement plans and allows any county to do so.	<b>Status:</b> 1/13 First Read 1/26 NRRA DP 8-0-0-0 2/10 PERER HELD 2/17 PERER DPA 8-0 Next Stop: Rules	<b>As Amended in PERER:</b> None expected.	<b>As Amended in PERER:</b> None expected, unless a county offers health insurance premium payment as a termination incentive, which could trigger A.R.S. §38-749.
<b>HB 2061 – S/E: CORP; probation officers; customary employment</b> Sponsor: Konopnicki <b>As Amended in PERER:</b> Allows AOC’s probation, surveillance and juvenile detention officers to work 20 hours/week for 20+ weeks in the fiscal year and still retain CORP membership. States that the cost of a service purchase for a member working less than 40 hours is calculated based on the member’s current hourly salary multiplied by 40 hours. Repeals law on July 1, 2011. Emergency measure.	<b>Status:</b> 1/20 First Read 1/27 PERER HELD 2/3 PERER HELD 2/17 PERER HELD 2/24 DPA S/E 8-0 4/7 Maj & Min Caucus Y 4/7 Rules C&P Next Stop: COW	<b>As Amended in PERER:</b> None expected.	<b>As Amended in PERER:</b> None expected.

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<b>HB 2109 – retirement systems and plans; amendments</b> Sponsor: Boone <b>As Introduced:</b> Makes changes to CORP, EORP, and PSPRS's qualified domestic relations order statutes.	<b>Status:</b> 1/20 First Read 1/20 PERER DP 6-0-0-2 2/9 Rules C&P 2/9 Consent 2:30p 2/10 Maj & Min Caucus Y Next Stop: Third Read	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> None expected.
<b>HB 2110 – public retirement plans; federal changes</b> Sponsor: Boone <b>As Amended in House COW:</b> Makes federal conforming changes to CORP, EORP, and PSPRS statutes.	<b>Status:</b> Not yet first read 1/27 PERER DPA 8-0-0-0 2/9 Rules C&P 2/10 Maj & Min Caucus Y 2/19 COW DPA Next Stop: Third Read	<b>As Amended in House COW:</b> None expected.	<b>As Amended in House COW:</b> None expected.
<b>HB 2236 – S/E: county operation; management</b> Sponsors: Tobin, S Allen, Gorman, Pearce, Pierce, et al <b>As Amended in House COW:</b> Removes restriction that prevents counties with a population of less than 300,000 from using public funds to pay all or a part of health insurance premiums for retired employees who are members of one of the four state retirement plans and allows any county to do so. Makes other non-ASRS related changes to counties.	<b>Status:</b> 1/20 First Read 2/10 GOV DPA/SE 9-0 2/16 Rules C&P 8-0 2/17 Maj & Min Caucus Y 3/18 COW DPA Next Stop: Third Read	<b>As Amended in House COW:</b> None expected.	<b>As Amended in House COW:</b> None expected, unless a county offers health insurance premium payment as a termination incentive, which could trigger A.R.S. §38-749.
<b>HB 2325 – EORP; omnibus amendments</b> Sponsor: Boone <b>As Introduced:</b> Makes clarifying, conforming, and technical changes to EORP statutes.	<b>Status:</b> 1/26 First Read 2/10 PERER DP 8-0 2/16 Rules C&P 8-0 2/16 Consent 3:15p 2/17 Maj & Min Caucus Y Next Stop: Third Read	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> None expected.
<b>HB 2326 – CORP; omnibus amendments</b> Sponsor: Boone <b>As Introduced:</b> Makes clarifying, conforming, and technical changes to CORP statutes.	<b>Status:</b> 1/26 First Read 2/10 PERER DP 8-0 2/16 Rules C&P 8-0 2/16 Consent 3:15p 2/17 Maj & Min Caucus Y Next Stop: Third Read	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> None expected.
<b>HB 2327 – PSPRS; omnibus amendments</b> Sponsor: Boone <b>As Introduced:</b> Makes clarifying, conforming, and technical changes to PSPRS statutes.	<b>Status:</b> 1/26 First Read 2/10 PERER DP 8-0 2/16 Rules C&P 8-0 2/16 Consent 3:15p 2/17 Maj & Min Caucus Y Next Stop: Third Read	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> None expected.

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<b>HB 2084 – CORP; Arizona state hospital; employees</b> Sponsor: Farley, Chabin <b>As Introduced:</b> <ul style="list-style-type: none"> <li>Includes various Arizona State Hospital positions under DHS as employees eligible for CORP, if the employee has routine contact with patients.</li> <li>Requires DHS to establish a local board (which determines eligibility and performs other administrative duties for CORP employees).</li> <li>Requires DHS to enter a joinder agreement if it decides to transfer employees to CORP.</li> <li>Requires ASRS to transfer PDA service annually and at the employee's termination. The employer is liable for any funding deficiencies.</li> <li>Provides that all prior ASRS service will transfer to CORP unless the employee irrevocably elects to remain in ASRS.</li> </ul>	<b>Status:</b> 1/20 First Read Next Stop: PERER	<b>As Introduced:</b> TBD.	<b>As Introduced:</b> Preliminary estimates indicate that 491 positions would be transferred, representing a loss in overall payroll of \$21.9 million. The APV of the assets is \$28.7 million, and ASRS would be required to send \$21.5 million to CORP (74.7%--FY2008 market value funded status).
<b>HB 2112 – ASRS; eliminate 80% benefit cap</b> Sponsor: Boone <b>As Introduced:</b> Removes the 80% cap on retirement benefits.	<b>Status:</b> 1/20 First Read Next Stop: PERER	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> First actuarial effect for contribution rate beginning July 1, 2011.  <b>By 2039 total contribution rate (ER + EE) savings of:</b> 80% Cap: 0.07%  <b>Present Value of Savings:</b> 80% Cap: \$69 M  Projection based on no growth—savings will be higher if there is an increase in the active workforce.
<b>HB 2113 – ASRS; return of contributions</b> Sponsor: Boone <b>As Introduced:</b> <ul style="list-style-type: none"> <li>Allows a member with five or more years of service to receive 25% of employer contributions upon termination of employment (by other than death or disability) for a member whose membership commences on or after July 1, 2010.</li> <li>Appropriates \$232,332 from the ASRS to the ASRS administration account. The appropriation is non-lapsing.</li> </ul>	<b>Status:</b> 1/20 First Read Next Stop: PERER	<b>As Introduced:</b> The ASRS projects that it will cost \$232,332 to implement these changes, which represents the costs of computer programming, staff and employer training, forms development and distribution, website updates, and member communications.	<b>As Introduced:</b> First actuarial effect for contribution rate beginning July 1, 2011.  <b>By 2039 total contribution rate (ER + EE) savings of:</b> Refunds: 0.19% (maximum savings of 0.28% reached in 2024-2025, gradually decreasing to .19% in FY2039.)  <b>Present Value of Savings:</b>

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			Refunds: \$274 M  Projection based on no growth—savings will be higher if there is an increase in the active workforce.
<b>HB 2114 – ASRS; normal retirement date</b> Sponsor: Boone <b>As Introduced:</b> <ul style="list-style-type: none"> <li>Modifies one of the Normal Retirement Date definitions from 80 to 85 points (age + years of service) for a member whose membership commences on or after July 1, 2010.</li> <li>Appropriates \$346,071 from the ASRS to the ASRS administration account. The appropriation is non-lapsing.</li> </ul>	<b>Status:</b> 1/20 First Read Next Stop: PERER	<b>As Introduced:</b> The ASRS projects that it will cost \$346,071 to implement these changes, which represents the costs of computer programming, staff and employer training, forms development and distribution, website updates, and member communications.	<b>As Introduced:</b> First actuarial effect for contribution rate beginning July 1, 2011.  <b>By 2039 total contribution rate (ER + EE) savings of:</b> Rule of 85: 0.28%  <b>Present Value of Savings:</b> Rule of 85: \$251 M  Projection based on no growth—savings will be higher if there is an increase in the active workforce.
<b>HB 2115 – ASRS; retirement average monthly salary</b> Sponsor: Boone <b>As Introduced:</b> <ul style="list-style-type: none"> <li>Modifies the Average Monthly Compensation used in a retiring member's retirement benefit calculation from the average of the highest 36 months in the last 120 months to the average of the highest 60 months in the last 120 months for a member whose membership commences on or after July 1, 2010.</li> <li>Appropriates \$763,319 from the ASRS to the ASRS administration account. The appropriation is non-lapsing.</li> </ul>	<b>Status:</b> 1/20 First Read Next Stop: PERER	<b>As Introduced:</b> The ASRS projects that it will cost \$763,319 to implement these changes, which represents the costs of computer programming, staff and employer training, forms development and distribution, website updates, and member communications.	<b>As Introduced:</b> First actuarial effect for contribution rate beginning July 1, 2011.  <b>By 2039 total contribution rate (ER + EE) savings of:</b> Average Monthly Salary: 0.34%  <b>Present Value of Savings:</b> Average Monthly Salary: \$405 M  Projection based on no growth—savings will be higher if there is an increase in the active workforce.
<b>HB 2116 – ASRS; return to work</b> Sponsor: Boone <b>As Introduced:</b> <u>Dual Employment</u> <ul style="list-style-type: none"> <li>Permits contributions from a second ER only if the 20/20 Rule is met for that ER.</li> </ul> <u>Contribution for Return to Work (RTW)</u> <ul style="list-style-type: none"> <li>Requires ERs, beginning July 1, 2010, to pay an Alternate Contribution Rate (ACR) for members who RTW prior to 12 months as leased or contract EEs and who perform services that would otherwise be performed by a contributing EE.</li> </ul>	<b>Status:</b> 1/20 First Read Next Stop: PERER	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> TBD, expected savings.

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<ul style="list-style-type: none"> <li>States, for a member whose most recent retirement was July 1, 2010 or later, that the time worked as a leased or contract EE does not count towards the 12 month requirement.</li> <li>Requires ERs to pay the ACR on behalf of any retiree that it employs unless no contributions have been made on behalf of that retiree for 12 months.</li> <li>Defines the ACR as the greater of 2% or 2 times the "deficit" payment (ER DB contribution rate + ER LTD contribution rate minus Normal Cost).</li> </ul> <u>Dual Membership and RTW in Non-ASRS Position</u> <ul style="list-style-type: none"> <li>Allows a retiree to immediately RTW in a non-ASRS position (i.e., not suspend retirement benefits) if the retiree RTW in a position that is: <ol style="list-style-type: none"> <li>a true change from their pre-retirement position,</li> <li>does not require participation in ASRS, and</li> <li>either: <ol style="list-style-type: none"> <li>requires participation in another retirement plan and the member makes those contributions (or if EORP, waives coverage) or</li> <li>permits the member to contribute to another plan and the member actually does participate.</li> </ol> </li> </ol> </li> </ul> <u>Miscellaneous RTW Provisions</u> <ul style="list-style-type: none"> <li>Requires an election to continue receiving benefits while working to be irrevocable for the remainder of employment.</li> <li>Requires employers to submit data and reports as required by the ASRS to determine the compensation of leased and contract retirees and the usage of the return to work program.</li> <li>Makes other technical, conforming, and clarifying changes.</li> </ul>			
<b>HB 2506 – CORP; chaplains; membership</b> Sponsor: Pancrazi, Aguirre; Jones, McGuire, Waters <b>As Introduced:</b> <ul style="list-style-type: none"> <li>Includes Chaplains employed by DOC as employees eligible for CORP.</li> <li>Transfers all Chaplains who are ASRS members to CORP on the effective date.</li> <li>Requires ASRS to transfer the greater of the member's account balance or the present value of the member's benefit (only counting DOC Chaplain service).</li> </ul>	<b>Status:</b> 2/12 First Read Next Stop: PERER	<b>As Introduced:</b> TBD.	<b>As Introduced:</b> Preliminary estimates indicate that 37.5 positions would be transferred, representing a loss in overall payroll of \$1.4 million. The APV of the assets is \$2.6 million, and ASRS would be required to send \$2.0 million to CORP (74.7%--FY2008 market value funded status).
<b>SB 1116 – technical correction; PSPRS; deferred</b>	<b>Status:</b> 1/15 First Read Not assigned to Committee	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> None expected.

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<b>retirement</b> Sponsor: S. Allen <b>As Introduced:</b> Makes a technical change to the PSPRS DROP statutes. Apparent striker vehicle.			
<b>SB 1117 – technical correction; normal retirement date</b> Sponsor: S. Allen <b>As Introduced:</b> Makes a technical change to the normal retirement statute. Apparent striker vehicle.	<b>Status:</b> 1/15 First Read Not assigned to Committee	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> None expected.
<b>SB 1118 – technical correction; defined contribution plan</b> Sponsor: S. Allen <b>As Introduced:</b> Makes a technical change to the ASRS's legacy Defined Contribution Plan (the "System"). Apparent striker vehicle.	<b>Status:</b> 1/15 First Read Not assigned to Committee	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> None expected.
<b>SB 1161 – PSPRS; reemployment</b> Sponsor: Pearce: Burges, Kavanagh, Konopnicki, Reagan, Tobin, Gorman, Harper Verschoor <b>As Introduced:</b> Requires PSPRS to suspend pension payments to a member who returns to work before 30 day after retirement or anytime if the retiree returns in the same position.	<b>Status:</b> 1/26 First Read Not assigned to Committee	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> None expected.
<b>SB 1207 – EORP; participation; elected officials</b> Sponsor: McCune Davis <b>As Introduced:</b> Does not require EORP participation for an elected official with 20+ years of service in EORP. Permits the elected official to elect EORP, ASRS, or no retirement system coverage. [Note: Currently EORP coverage is required unless waived, then membership is automatic in ASRS unless also waived.]	<b>Status:</b> 1/27 First Read Not assigned to Committee	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> None expected.
<b>SB 1345 – ASRS; amendments.</b> Sponsor: Gould <b>As Introduced:</b> <ul style="list-style-type: none"> <li>Modifies the Average Monthly Compensation used in a retiring member's retirement benefit calculation from the average of the highest 36 months in the last 120 months to the average of the highest 60 months in the last 120 months for a member whose membership commences on or after July 1, 2010.</li> <li>Modifies one of the Normal Retirement Date definitions from 80 to 85 points (age + years of service) for a member whose membership commences on or after July 1, 2010.</li> </ul>	<b>Status:</b> 2/2 First Read	<b>As Introduced:</b> The ASRS projects that it will cost \$1,341,000 to implement these changes, which represents the costs of computer programming, staff and employer training, forms development and distribution, website updates, and member communications.	<b>As Introduced:</b> First actuarial effect for contribution rate beginning July 1, 2011.  <b>By 2039 total contribution rate (ER + EE) savings of:</b> Average Monthly Salary: 0.34% Rule of 85: 0.28% Refunds: 0.19% (maximum savings of 0.28% reached in 2024-2025, gradually decreasing to .19% in FY2039.) 80% Cap: 0.07%

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<ul style="list-style-type: none"> <li>Allows a member with five or more years of service to receive 25% of employer contributions upon termination of employment (by other than death or disability) for a member whose membership commences on or after July 1, 2010.</li> <li>Removes the 80% cap on retirement benefits.</li> <li>Contains the provisions of all other 2009 ASRS Legislative Initiatives, including RTW.</li> <li>Appropriates \$1,341,000 from the ASRS to the ASRS administration account. The appropriation is non-lapsing.</li> </ul>			<p><b>Present Value of Savings:</b>  Average Monthly Salary: \$405 M  Rule of 85: \$251 M  Refunds: \$274 M  80% Cap: \$69 M</p> <p>Projection based on no growth—savings will be higher if there is an increase in the active workforce.</p> <p><b>Return to Work Provisions:</b>  TBD, expected savings.</p>
<p><b>SB 1349 – public retirement systems; rural subsidy</b>  Sponsor: Gould  <b>As Introduced:</b> Removes rural subsidy language from ASRS, PSPRS, CORP, and EORP statutes. [Note: Rural subsidy expires June 30, 2009.]</p>	<p><b>Status:</b> 2/2 First Read  Not assigned to Committee</p>	<p><b>As Introduced:</b> None expected.</p>	<p><b>As Introduced:</b> None expected.</p>
<p><b>SB 1350 – ASRS; termination incentive program requirements</b>  Sponsor: Gould  <b>As Introduced:</b> Removes the requirement that in order to qualify as an Employer Termination Incentive Program (ERTIP) an agreement to terminate must be in writing and instead broadens to include incentives provided by an employer that are conditioned on the member's termination.</p>	<p><b>Status:</b> 2/2 First Read</p>	<p><b>As Introduced:</b> None expected.</p>	<p><b>As Introduced:</b> TBD, expected savings.</p>
<p><b>SB 1351 – ASRS; service; military; purchase; requirements</b>  Sponsor: Gould  <b>As Introduced:</b> Repeals the sunset clause from Laws 2007, Chapter 244 (HB 2148 ASRS; active military service credit) that allowed members who are called into US military service and who become disabled to purchase their military time even if they do not return to service for the same State employer.</p>	<p><b>Status:</b> 2/2 First Read</p>	<p><b>As Introduced:</b> None expected.</p>	<p><b>As Introduced:</b> None expected.</p>
<p><b>SB 1352 – ASRS; return to work changes.</b>  Sponsor: Gould  <b>As Introduced:</b>  <u>Dual Employment</u></p> <ul style="list-style-type: none"> <li>Permits contributions from a second ER only if the 20/20 Rule is met for that ER.</li> </ul> <p><u>Contribution for Return to Work (RTW)</u></p> <ul style="list-style-type: none"> <li>Requires ERs, beginning July 1, 2010, to pay an Alternate Contribution Rate (ACR) for members who</li> </ul>	<p><b>Status:</b> 2/2 First Read</p>	<p><b>As Introduced:</b> None expected.</p>	<p><b>As Introduced:</b> TBD, expected savings.</p>



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<p>RTW prior to 12 months as leased or contract EEs and who perform services that would otherwise be performed by a contributing EE.</p> <ul style="list-style-type: none"> <li>• States, for a member whose most recent retirement was July 1, 2010 or later, that the time worked as a leased or contract EE does not count towards the 12 month requirement.</li> <li>• Requires ERs to pay the ACR on behalf of any retiree that it employs unless no contributions have been made on behalf of that retiree for 12 months.</li> <li>• Defines the ACR as the greater of 2% or 2 times the "deficit" payment (ER DB contribution rate + ER LTD contribution rate minus Normal Cost).</li> </ul> <p><u>Dual Membership and RTW in Non-ASRS Position</u></p> <ul style="list-style-type: none"> <li>• Allows a retiree to immediately RTW in a non-ASRS position (i.e., not suspend retirement benefits) if the retiree RTW in a position that is:             <ol style="list-style-type: none"> <li>4. a true change from their pre-retirement position,</li> <li>5. does not require participation in ASRS, and</li> <li>6. either:                 <ol style="list-style-type: none"> <li>a. requires participation in another retirement plan and the member makes those contributions (or if EORP, waives coverage) or</li> <li>b. permits the member to contribute to another plan and the member actually does participate.</li> </ol> </li> </ol> </li> </ul> <p><u>Miscellaneous RTW Provisions</u></p> <ul style="list-style-type: none"> <li>• Requires an election to continue receiving benefits while working to be irrevocable for the remainder of employment.</li> <li>• Requires employers to submit data and reports as required by the ASRS to determine the compensation of leased and contract retirees and the usage of the return to work program.</li> <li>• Makes other technical, conforming, and clarifying changes.</li> </ul>			
<p><b>SB 1353 – ASRS; plan design amendments</b>  Sponsor: Gould  <b>As Introduced:</b></p> <ul style="list-style-type: none"> <li>• Modifies the Average Monthly Compensation used in a retiring member's retirement benefit calculation from the average of the highest 36 months in the last 120 months to the average of the highest 60 months in the last 120 months for a member whose membership commences on or after July 1, 2010.</li> </ul>	<p><b>Status:</b> 2/2 First Read</p>	<p><b>As Introduced:</b> The ASRS projects that it will cost \$1,341,000 to implement these changes, which represents the costs of computer programming, staff and employer training, forms development and distribution, website</p>	<p><b>As Introduced:</b> First actuarial effect for contribution rate beginning July 1, 2011.</p> <p><b>By 2039 total contribution rate (ER + EE) savings of:</b>  Average Monthly Salary: 0.34%  Rule of 85: 0.28%  Refunds: 0.19% (maximum)</p>

BILL	BILL STATUS	ADMINISTRATIVE COST	ACTUARIAL IMPACT
<ul style="list-style-type: none"> <li>Modifies one of the Normal Retirement Date definitions from 80 to 85 points (age + years of service) for a member whose membership commences on or after July 1, 2010.</li> <li>Allows a member with five or more years of service to receive 25% of employer contributions upon termination of employment (by other than death or disability) for a member whose membership commences on or after July 1, 2010.</li> <li>Removes the 80% cap on retirement benefits.</li> <li>Appropriates \$1,341,000 from the ASRS to the ASRS administration account. The appropriation is non-lapsing.</li> </ul>		updates, and member communications.	<p>savings of 0.28% reached in 2024-2025, gradually decreasing to .19% in FY2039.) 80% Cap: 0.07%</p> <p><b>Present Value of Savings:</b> Average Monthly Salary: \$405 M Rule of 85: \$251 M Refunds: \$274 M 80% Cap: \$69 M</p> <p>Projection based on no growth—savings will be higher if there is an increase in the active workforce.</p>
<p><b>SB 1354 – ASRS; survivors; IRS conforming changes</b> Sponsor: Gould <b>As Introduced:</b> Clarifies that non-retired survivor benefits are triggered by a member's death regardless of whether the member was employed.</p>	Status: 2/2 First Read	<b>As Introduced:</b> None expected.	<b>As Introduced:</b> None expected.

## **GUIDE TO ACRONYMS**

AHCCCS	Arizona Health Care Cost Containment System	HHR	House Hearing Room
AOC	Administrative Office of the Courts	HHS	Health and Human Services Committee (Hse)
APPROP	Appropriations Committee (Hse & Sen)	Hse	House of Representatives
ARS	Arizona Revised Statutes	JUD	Judiciary Committee (Hse & Sen)
ASRS	Arizona State Retirement System	LTD	Long Term Disability
B&I	Banking and Insurance Committee (Hse)	Maj	Majority
CC	Conference Committee	MAPS	Military Affairs and Public Safety Committee (Hse)
C&P	Constitutional and Proper	Min	Minority
C&PA	Constitutional and Proper as Amended by the House Rules Committee	NRIPD	Natural Resources, Infrastructure and Public Debt Committee (Sen)
CED	Commerce and Economic Development Committee (Sen)	NRRA	Natural Resources and Rural Affairs (Hse)
COM	Commerce Committee	PERER	Public Employees, Retirement and Entitlement Reform Committee (Hse)
CORP	Corrections Officer Retirement Plan	PFC	Proper for Consideration
COW	Committee of the Whole	PFCA	Proper for Consideration as Amended by the Senate Rules Committee
DHS	Department of Health Services	PSHS	Public Safety and Human Services Committee (Sen)
DOC	Arizona Department of Corrections	PSPRS	Public Safety Personnel Retirement System
DP	Do Pass	RRD	Retirement and Rural Development Committee (Sen)
DPA	Do Pass as Amended	RTW	Return to Work
DROP	Deferred Retirement Option Plan	SB	Senate Bill
EAR	Education, Accountability and Reform Committee (Sen)	S/E	Strike Everything Amendment
ED	Education Committee (Hse)	Sen	Senate
EE	Employee	SHR	Senate Hearing Room
EGTRRA	Economic Growth and Tax Relief Reconciliation Act of 2001	T&I	Transportation and Infrastructure Committee (Hse)
EORP	Elected Officials' Retirement Plan	TBD	To Be Determined
ENVIRON	Environment Committee (Hse)	UAAL	Unfunded Actuarial Accrued Liability
ER	Employer	VMA	Veterans and Military Affairs Committee (Sen)
FIN	Finance Committee (Sen)	W&E	Water and Energy Committee (Hse)
GF	General Fund	W&M	Ways and Means Committee (Hse)
GI	Government Institutions Committee (Sen)		
GOV	Government Committee (Hse)		
HB	House Bill		
HMLR	Healthcare and Medical Liability Reform Committee (Sen)		

If you have questions regarding ASRS legislation, please contact  
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